UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF MICHIGAN SOUTHERN DIVISION

In Re:)	Bankruptcy Case No.: 13-53846
City of Detroit, Michigan	<u> </u>	Honorable: Thomas J. Tucker
Debtor.)	Chapter 9

GOODMAN ACKER LAW FIRM'S RESPONSE TO CITY OF DETROIT'S MOTION FOR DETERMINATION THAT THE GOODMAN ACKER AND HASS & GOLDSTEIN LAW FIRMS HAVE VIOLATED THE PLAN OF ADJUSTMENT (DOCKET #9893)

NOW COMES the LAW FIRM OF GOODMAN ACKER, P.C., and in response to the City of Detroit's Motion for a Determination that the Goodman Acker and Hass & Goldstein Law Firms Have Violated the Plan of Adjustment (Docket #9893) and states the following.

The City of Detroit's Motion as it pertains to the Law Firm of Goodman Acker, P.C., is without merit and should be denied. The Law Firm of Goodman Acker, P.C., on behalf of the claimant, Rosie Jones, has agreed to resolve her claim for the amount stated in the ADR Settlement. In the underlying Wayne County Circuit Court case of Rosie Jones vs. City of Detroit, 2012-012579-NF, on March 26, 2015 the Honorable Edward Ewell, Jr., advised the attorney for the City of Detroit, David J. Demps, to file a motion with this Bankruptcy Court regarding the ADR Settlement, and he gave the City of Detroit three months to do so before the June 23, 2015 trial date in the underlying action. During the three months the attorney for the City of Detroit failed to do anything, causing the Law Firm of Goodman Acker, P.C., to incur time and money preparing for the underlying trial. It was not until the filling of the Defendant's Motion that the City of Detroit agreed to pay the amount stated in the ADR Settlement. In fact, as

stated in the attached email, on May 20, 2015 the City of Detroit's Deputy Corporation Counsel, Chuck Rami, explicitly advised Mr. Marc N. Swanson that the matter was settled and to file a dismissal of this Motion as to the Goodman Acker firm and Mr. Swanson replied "will do". (Exhibit 1) However, the City of Detroit again failed to file a dismissal thereby causing the Law Firm of Goodman Acker, P.C., to again incur additional time and costs.

As stated above, the Law Firm of Goodman Acker, P.C. certainly hasn't refused to honor an ADR Settlement. In fact, the Law Firm of Goodman Acker, P.C., has agreed to honor the ADR Settlement and has repeatedly attempted to settle this matter with the City of Detroit, and it is only the City of Detroit who has not honored the settlement by paying the claim. This matter has been settled for over a year and to date the City of Detroit has not paid the claim. The City of Detroit's attorney in the underlying matter did nothing for three months to finalize the settlement, thereby causing the Law Firm of Goodman Acker, P.C., to incur time and money preparing for the underlying trial. Further, once it was confirmed that the matter was settled, the Deputy Corporation Counsel for the City of Detroit directed that this Motion was to be dismissed as to the Law Firm of Goodman Acker, P.C., and again the City of Detroit has Since there is absolutely no question that the Law Firm of failed to so, (Exhibit 1) Goodman Acker, P.C., has not violated any settlement agreement and refused to honor the ADR settlement, this matter should be dismissed against the Law Firm of Goodman Acker, P.C. Further, the Law Firm of Goodman Acker, P.C. requests that the Court make a determination as to whether Rule 9011(c)(1)(B) sanctions should be awarded to

them based upon the City of Detroit's frivolous motion because the matter has been settled as set forth in the attached Exhibit.

Respectfully submitted,

GOLDSTEIN, BERSHAD & FRIED, P.C.

P.C. GOODMAN ACKER, P.C.

/s/ Scott M. Kwiatkowski
Scott M. Kwiatkowski (P67871)
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/s/ Charles W. Wojno
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Certificate of Service

I hereby certify that on June 8, 2015, I electronically filed the foregoing papers with the Clerk of the Court using the Electronic Filing System which will send notification of such filing to all attorneys of record.

/s/ Nicole McGartland
Nicole McGartland

EXHIBIT

1

Gerald H. Acker

From:

Swanson, Marc N. <swansonm@millercanfield.com>

Sent:

Saturday, May 30, 2015 2:45 PM

To:

Charles Raimi

Cc:

Gerald H. Acker; David Demps; Calvert Bailey; James Noseda; Krystal Crittendon; Grant Ha

Subject:

Re: City of Detroit / Rosie Jones

Attachments:

mime-attachment.gif; mime-attachment.gif; mime-attachment.gif; mime-attachment.jpg;

mime-attachment.gif; mime-attachment.jpg

Chuck, will do.

Thanks,

Marc

Marc N. Swanson | Principal Miller Canfield Office +1.313.496.7591 Mobile +1.248.766.7159 swansonm@millercanfield.com http://www.millercanfield.com/MarcSwanson

On May 30, 2015, at 2:18 PM, Charles Raimi < RaimiC@detroitmi.gov > wrote:

Marc - Mr. Acker and I have agreed that Ms. Jones will honor the 40k settlement and the City is expediting the process to get a check. Mr. Acker has also advised below that he is not seeking interest or attorney fees on pre-petition claims except where there are on-going benefits. The City disagrees with Mr. Acker's position that claimants can recover interest and attorney fees on pre-petition claims where there are on-going benefits - however, that issue is not raised in the pending motion. Accordingly, please file a dismissal of the motion as to the Goodman Acker firm only. Thanks.

Chuck Raimi

Deputy Corporation Counsel, City of Detroit 313 237 5037

>>> "Gerald H. Acker" <gacker@goodmanacker.com> 5/29/2015 4:04 PM >>> Chuck

That's fine. Please confirm that you have dismissed the motion in bankruptcy court.

Jerry

On 5/29/15, 3:54 PM, "Charles Raimi" < RaimiC@detroitmi.gov > wrote:

Thanks Jerry - hope to resolve this per our discussion today. The City disagrees with your position that interest and attorney fees can be recovered on pre-petition claims with on going benefits, but that issue is not raised in the pending bankruptcy motion.

Chuck Raiml

Deputy Corporation Counsel, City of Detroit

313 237 5037

>>> "Gerald H. Acker" <gacker@goodmanacker.com> 5/28/2015 10:12 AM >>>

Chuck

I'm working on the 40k. What does expediting City Council approval mean for me and for the other claims that are out there? Obviously this has become a bigger issue than just Rosie Jones. I'll let you know shortly. On the pre petition interest and attorney fee issue, I don't think I've made that claim. I've made that claim for post petition claims or pre petition claims where there are on going benefits.

Jerry

Gerald H. Acker

Goodman Acker P.C.

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From: Charles Raimi [mailto:RaimiC@detroitmi.gov]

Sent: Thursday, May 28, 2015 10:04 AM

To: Gerald H. Acker

Cc: David Demps; swansonm@MillerCanfield.com; Krystal Crittendon; James Noseda;

Grant Ha ,

Subject: Re: FW: City of Detroit / Rosie Jones

Jerry - you can correspond with me on this. If you confirm the \$40,000 figure, we will expedite City Council approval. If not we will let the bankruptcy court decide the issue. Also, we do need the bankruptcy court to address your efforts to recover interest and attorney fees on prepetition claims.

Chuck Raimi

Deputy Corporation Counsel, City of Detroit

313 237 5037

From: Gerald H. Acker [mailto:gacker@goodmanacker.com]

Sent: Thursday, May 28, 2015 9:44 AM

To: Swanson, Marc N.

Subject: RE: City of Detroit / Rosie Jones

Marc

Would you be kind enough to forward the attachments to your motion? In addition, for the sake of argument, is the City prepared to make the 40k payment forthwith?

Jerry

Gerald H. Acker

Goodman Acker P.C.

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Sent: Wednesday, May 27, 2015 7:30 PM
To: Gerald H. Acker
Cc: Charles Raimi; Swanson, Marc N.
Subject: City of Detroit / Rosie Jones
Dear Mr. Acker,
The City of Petroit Intends to file the attached motion tomorrow morning (May 28) with the bankruptcy court. Pursuant to Local Bankruptcy Rule 9014, the City is requesting your concurrence in the relief sought in the motion. Please let me know by 10:30am tomorrow morning whether you consent to the relief sought. The City reserves its right to modify or amend the motion.
Thanks,
Marc
Marc N. Swanson Principal
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From: Swanson, Marc N. [mailto:swansonm@millercanfield.com]

+ VCard <millercanfield.com/MarcSwanson> http://www.millercanfield.com/MarcSwanson